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Algeria

Dairy and Products

Annual

2003

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Report Highlights:

Algerian production and consumption of dairy products has stabilized, although the recent opening of new processing plants may lead to increased consumption in the future. Although imports continue to be important, very little is sourced from the United States, due to high U.S. prices and lack of interest on the part of U.S. suppliers.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Rabat [MO1]
[AG]

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Executive Summary

Production

In March 2003, the GOA reopened the imports of heifers from Europe after a ban of three years because of the BSE disease. These imports will still be under tight control, but this will help the GOA in its goal to increase dairy production.

The private sector still dominates the production of processed dairy products from imported raw materials. Many dairy processing complexes are still opening in different regions of Algeria, (one creamery encouraged by PNDA is operational since February 2003 in the south western region. This plant will supply the region with 5000 liters / day.)

After many rumors that the price of reconstituted milk would be raised, processors were disappointed last month when the GOA decided to maintain the consumer price at the current level, due to its importance as a protein source for average Algerians.

Production Subcategory

Table 1: Chronology of Retail Prices of Milk in Algerian Dinars (AD):

Years	Farm price of fresh milk (1 liter)	Fixed price for reconstituted milk (1 liter)	Whole milk powder (0.5 kg boxes)	Exchange Rate (AD in \$1)
1999	40	20	120	68
2000	40	20	120-140	78
2001	45	25	120-140	76
2002	45	25	140	80
2003	50	25	120-140	77

Source: Ministry of Commerce and Local Market

Consumption

With the increasing number of dairy plants and the availability of various dairy products, consumption of dairy products is expected to increase.

Trade

With the inadequacy of domestic milk production, Algeria depends on imports of dairy products, which represent 22 percent of total agricultural product imports. Since most of the new processors are operating now, imports are expected to be stable for the next several years. Although there is considerable interest in purchasing from the United States, high U.S. prices and lack of response on the part of U.S. suppliers hamper imports of U.S. dairy products.

Trade Subcategory

Table 2: Imports of Dairy Products (January through June 2003) in MT:

Countries of Imports	WMP	NFDM	BUTTER	CHEESE
Germany	607	1,702	0	20
Spain	707	772	0	494,230
Australia	613	0	476	3,057
Argentina	9,127	5,345	0	107
Belgium	6,667	2,744	1,746	158
Canada	102	25	0	0
France	23,286	8,223	1,574	292
Great Britain	1,156	160	336	59
Ireland	1,627	828	105	709
New Zealand	9,377	1,026	1,044	1,811
Poland	555	9,299	0	0
U.S.	48	0	0	0
OTHERS	3,698	4,516	2,236	2,084
TOTAL	57,570	34,640	7,517	502,527

Stocks

Policy

Please see AG1008 for explanation of Algerian tariff system for dairy products. In the 2003 finance law, the duty for whey (tariff code 04041000) was reduced from 30 to 15 percent. In addition, as reported previously, the DAP (a temporary additional duty) is reduced 12 percent each year, with the goal of reaching 0 in 2006, and since July 2003 is now 36 percent.

Marketing

PSD Table

Country	Algeria						
Commodity	Dairy, Dry Whole Milk Powder						(1000 MT)
	2002 USDA Official [Old]	Revised Post Estimate [New] 01/2002	2003 USDA Official [Old]	Estimate Post Estimate [New] 01/2003	2004 USDA Official [Old]	Forecast Post Estimate [New] 01/2004	UOM MM/YYYY
Market Year Begin							
Beginning Stocks	12	3	4	4	4	5	(1000 MT)
Production	0	0	0	0	0	0	(1000 MT)
Intra EC Imports	0	0	0	0	0	0	(1000 MT)
Other Imports	112	121	120	121	0	121	(1000 MT)
TOTAL Imports	112	121	120	121	0	121	(1000 MT)
TOTAL SUPPLY	124	124	124	125	4	126	(1000 MT)
Intra EC Exports	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Exports	0	0	0	0	0	0	(1000 MT)
Human Dom. Consumption	120	120	120	120	0	121	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	120	120	120	120	0	121	(1000 MT)
TOTAL Use	120	120	120	120	0	121	(1000 MT)
Ending Stocks	4	4	4	5	0	5	(1000 MT)
TOTAL DISTRIBUTION	124	124	124	125	0	126	(1000 MT)
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Import Trade Matrix

Country Algeria
Commodity Dairy,
Dry
Whole
Milk
Powder

Time period		Units:	MT
Imports for:	2002		2003
U.S.	96	U.S.	
Others		Others	
France	57442		
Argentina	18481		
Belgium	17129		
New Zealand	13961		
Great Britain	1519		
Ireland	5395		
Canada	1714		
Poland	1196		
Total for Others	116837		0
Others not Listed	4036		
Grand Total	120969		0

Country	Algeria	(1000 MT)					
Commodity	Dairy, Milk, Nonfat Dry						
	2002 USDA Official [Old]	Revised Post Estimate [New] 01/2002	2003 USDA Official [Old]	Estimate Post Estimate [New] 01/2003	2004 USDA Official [Old]	Forecast Post Estimate [New] 01/2004	UOM
Market Year Begin							MM/YYYY
Beginning Stocks	19	2	16	4	2	4	(1000 MT)
Production	0	0	0	0	0	0	(1000 MT)
Intra EC Imports	0	0	0	0	0	0	(1000 MT)
Other Imports	87	114	80	114	0	114	(1000 MT)
TOTAL Imports	87	114	80	114	0	114	(1000 MT)
TOTAL SUPPLY	106	116	96	118	2	118	(1000 MT)
Intra EC Exports	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Exports	0	0	0	0	0	0	(1000 MT)
Human Dom. Consumption	90	112	94	114	0	114	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	90	112	94	114	0	114	(1000 MT)
TOTAL Use	90	112	94	114	0	114	(1000 MT)
Ending Stocks	16	4	2	4	0	4	(1000 MT)
TOTAL DISTRIBUTION	106	116	96	118	0	118	(1000 MT)
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Import Trade Matrix

Country Algeria
Commodity Dairy,
Milk,
Nonfat
Dry

Time period		Units:	MT
Imports for:	2002		2003
U.S.	99	U.S.	
Others		Others	
Poland	48049		
France	24121		
New Zealand	11282		
Belgium	6336		
Argentina	4660		
Switzerland	3419		
Brasil	2756		
Czech	2034		
Germany	1463		
Spain	5872		
Total for Others	109992		0
Others not Listed	4080		
Grand Total	114171		0

PSD Table

Country	Algeria						
Commodity	Dairy, Cheese						(1000 MT)
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA	Post	USDA	Post	USDA	Post	
	Official	Estimate	Official	Estimate	Official	Estimate	
	[Old]	[New]	[Old]	[New]	[Old]	[New]	
Market Year Begin		01/2002		01/2002		01/2002	MM/YYYY
Beginning Stocks	0	1	0	1	0	1	(1000 MT)
Production	0	4	0	4	0	4	(1000 MT)
Intra EC Imports	0	0	0	0	0	0	(1000 MT)
Other Imports	0	21	0	21	0	21	(1000 MT)
TOTAL Imports	0	21	0	21	0	21	(1000 MT)
TOTAL SUPPLY	0	26	0	26	0	26	(1000 MT)
Intra EC Exports	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Exports	0	0	0	0	0	0	(1000 MT)
Human Dom. Consumption	0	25	0	25	0	25	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	0	25	0	25	0	25	(1000 MT)
TOTAL Use	0	25	0	25	0	25	(1000 MT)
Ending Stocks	0	1	0	1	0	1	(1000 MT)
TOTAL DISTRIBUTION	0	26	0	26	0	26	(1000 MT)
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Import Trade Matrix

Country
Commodity

Algeria
Dairy,
Cheese

Time period

Imports for:

U.S.

Others

Units:

2002

U.S.

Others

MT

2003

New Zealand	5530		
Australia	4943		
Netherland	3748		
Great Britain	1797		
Spain	1607		
Ireland	1350		
France	1059		

Total for Others 20034

0

Others not

Listed

Grand Total

1629

21663

0

PSD Table

Country	Algeria						
Commodity	Dairy, Butter						
	(1000 MT)						
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA	Post	USDA	Post	USDA	Post	
	Official	Estimate	Official	Estimate	Official	Estimate	
	[Old]	[New]	[Old]	[New]	[Old]	[New]	
Market Year		01/2002		01/2002		01/2002	MM/YYYY
Begin							
Beginning Stocks	0	1	0	1	0	1	(1000 MT)
Production	0	3	0	3	0	3	(1000 MT)
Intra EC Imports	0	0	0	0	0	0	(1000 MT)
Other Imports	0	12	0	12	0	12	(1000 MT)
TOTAL Imports	0	12	0	12	0	12	(1000 MT)
TOTAL SUPPLY	0	16	0	16	0	16	(1000 MT)
Intra EC Exports	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Exports	0	0	0	0	0	0	(1000 MT)
Domestic Consumption	0	15	0	15	0	15	(1000 MT)
TOTAL Use	0	15	0	15	0	15	(1000 MT)
Ending Stocks	0	1	0	1	0	1	(1000 MT)
TOTAL	0	16	0	16	0	16	(1000 MT)
DISTRIBUTION							
Calendar Yr.	0	0	0	0	0	0	(1000 MT)
Imp. from U.S.							
Calendar Yr.	0	0	0	0	0	0	(1000 MT)
Exp. to U.S.							

Import Trade Matrix

Country Algeria
Commodity Dairy,
Butter

Time period		Units:	MT
Imports for:	2002		2003
U.S.	0	U.S.	
Others		Others	
New Zealand	4958		
Netherland	2397		
Belgium	1729		
France	1727		
Great Britain	663		
Australia	618		
Total for Others	12092		0
Others not Listed	473		
Grand Total	12565		0